

# Fiscal Note

State of Alaska  
2021 Legislative Session

Bill Version:	SB 64
Fiscal Note Number:	4
(S) Publish Date:	3/17/2021

Identifier: SB064-DOR-TAX-2-19-21  
Title: SHELLFISH PROJECTS; HATCHERIES; FEES  
Sponsor: STEVENS  
Requester: (S) Resources

Department: Department of Revenue  
Appropriation: Taxation and Treasury  
Allocation: Tax Division  
OMB Component Number: 2476

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2022 Appropriation Requested	Included in Governor's FY2022 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2022	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None			***	***	***	***	***
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>

**Estimated SUPPLEMENTAL (FY2021) cost:** 0.0 (separate supplemental appropriation required)

**Estimated CAPITAL (FY2022) cost:** 0.0 (separate capital appropriation required)

**Does the bill create or modify a new fund or account?** No  
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes  
If yes, by what date are the regulations to be adopted, amended or repealed? 02/28/22

## Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Agency: Department of Revenue

Phone: (907)269-6736  
Date: 02/19/2021  
Date: 02/19/21

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
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## Analysis

**Background**

This bill provides for a common property shellfish fishery classification in a special harvest area, and fishermen participating in this fishery, would be subject to the payment of an assessment either on the projected value of the shellfish or on the pounds of shellfish harvested.

Cost recovery, when implemented under the common property fishery, imposes an assessment on all commercial fishermen participating in the common property fishery. The assessment is to be collected by the Department of Revenue (DOR) Tax Division and deposited into the general fund for appropriation back to the hatchery permit holder. Funds may also be appropriated to DOR for costs incurred by DOR to implement and administer the assessment.

New AS 16.12.090(d) provides that DOR may, by March 1 of each year, set the assessment rate by regulation and in consultation with the Department of Commerce, Community, and Economic Development (DCCED), the permit holder, and the affected commercial fishermen. The statute directs that the assessment shall cover debt service, operating expenses, and a reserve fund.

In accordance with statute, it is anticipated that in setting a common property fishery assessment DOR will annually:

1. Analyze financial data to establish or verify historical operating costs;
2. Review forecasted hatchery returns (pounds) and price information for the upcoming season from various sources to determine market trends;
3. Promulgate annual regulations for the assessment; and
4. Provide for filing instructions, filing, and payment of the Common Property Fishery through Revenue Online.

The common property shellfish fishery assessment provisions of this bill would take effect 90 days after the bill is signed into law since the bill does not provide for another effective date for these provisions.

**Revenue Impact**

The revenue impact of this bill cannot be determined at this time.

Previously, DOR had established a common property fishery assessment for one fishery in the calendar years 2012 – 2016. Based on the projection by the Department of Fish and Game of two to three applications per year, the revenue impact of this bill is expected to be minimal.

**Implementation Cost**

This legislation would not require the Department of Revenue to make material changes to its Tax Revenue Management System (TRMS). Therefore, there would be no cost to the Department of Revenue for implementation. After the implementation of the changes, this legislation would cause a small additional administrative burden on the Tax Division.